### UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

IN RE: \$ Case No. 23-30560

NITA U. CHAUHAN \$ (Chapter 7)

Bebtor. \$ \text{ Debtor.}

# APPLICATION TO EMPLOY MCCLOSKEY ROBERSON WOOLLEY, PLLC AS SPECIAL LITIGATION COUNSEL PURSUANT TO 11 U.S.C. § 327(a)

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

## REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

Eva Engelhart, chapter 7 trustee (the "Trustee") for the estate of Nita U. Chauhan (the "Debtor"), files this Application to Employ McCloskey Roberson Woolley, PLLC ("MRW") as special litigation counsel pursuant to 11 U.S.C. § 327(a).

#### **Application to Employ**

1. The Trustee desires to employ MRW as special litigation counsel on a hourly basis to assist her in the analysis and pursuit of certain claims and causes of action in the Debtor's Bankruptcy Case in connection with Cause No. 2021-34262, *Wassim Jazi v. Nita Chauhan*,

pending in 80th Judicial District Court of Harris County, Texas (the "Litigation"). Pursuant to this Application, the Trustee seeks to engage MRW to analyze and pursue any claims and causes of action in connection with the Litigation (the "Work").

- 2. MRW maintains offices at 190 T.C. Jester Blvd., Houston, Texas 77007. MRW's main telephone number is (713) 337-3900. MRW's fax number is (713) 337-3915.
- 3. The Trustee has selected MRW because its members have extensive experience in matters relating to commercial and bankruptcy litigation, fraudulent transfers, avoidance actions, and asset collection. The Trustee believes that MRW can provide the estate with the required legal expertise to allow the Trustee to handle this litigation effectively and prudently.
- 4. Thomas A. Woolley, III of MRW will be designated as attorney-in-charge and will be responsible for the representation of the Trustee by MRW as set forth in this Application.
- 5. Mr. Woolley and his partners at MRW are admitted to practice before all courts in the Southern District of Texas and have significant trial experience in handling commercial and bankruptcy-related litigation matters, including but not limited to, officer and director liability claims, breach of fiduciary duties claims, fraudulent transfers and preferences. They have had at least (30) trials in state and federal court. Some recent examples of representations handled by MRW include:
  - Representation of post-confirmation trustee on behalf of valve company in various claims, including officer and director litigation and claims against the companies former auditors;
  - Representation of chapter 7 trustee in the Alliance of American Football bankruptcy case pending in the Western District of Texas in more than 100 preference matters;
  - Settled a breach of fiduciary duty case in excess of \$1.24 million against former officers and directors in the *NC12*, *Inc.* bankruptcy case.
  - Settled a breach of fiduciary duty case for \$1.75 million (more than 90% of a wasting D&O policy) against former officers and directors of HII Technologies, Inc. and its subsidiaries.

- Settled and obtained judgments on numerous claims on behalf of the chapter 7 trustee in *Giant Gray, Inc.* bankruptcy case.
- 6. Mr. Woolley has handled numerous cases under Chapter 5 of the Bankruptcy Code representing Chapter 7 trustees, Debtors, Plan agents, and liquidating Trustees as plaintiffs and individuals and companies as defendants. In addition, Mr. Woolley has represented numerous debtors and creditors in bankruptcy cases and other Chapter 7 trustees in numerous exemption objections, turnover requests and claims objections.
- 7. The Trustee has selected Mr. Woolley and MRW because of their experience and specialization in commercial and bankruptcy-related litigation. The Trustee believes that MRW is well qualified to represent the Trustee.
  - 8. MRW will render professional services including, but not limited to:
    - (a) Assisting the Trustee in analyzing claims owned by the estate;
    - (b) Preparing and filing such pleadings as are necessary to pursue the estate's claims and defending the Trustee in the any potential litigation;
    - (c) Conducting appropriate examinations of witnesses, claimants and other parties in interest in connection with such litigation;
    - (d) Representing the Trustee in any potential litigation and any adversary proceedings and other proceedings before the Court and in any other judicial or administrative proceeding in which the claims described herein may be affected;
    - (e) Collecting any judgment that may be entered in favor of the Trustee in the claims;
    - (f) Handling any appeals that may result from the potential litigation; and
    - (g) Performing any other legal services that may be appropriate in connection with the prosecution of the claims.

#### **Statement Regarding Connections to the Case**

9. MRW has not represented the Debtor prior to or during this bankruptcy case. MRW has represented the Trustee in previous cases pending in the United States Bankruptcy Court for

the Southern District of Texas. MRW also currently represents several other chapter 7 trustees and post-confirmation trustees in other active cases.

10. Except as set forth above and in the attached affidavit, MRW has no other connection with the debtor, its creditors, any other parties in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee and is a "disinterested person" within the definition of § 101(14) of the Bankruptcy Code on the matters for which it is to be engaged as special counsel. *See* Attached Affidavit.

#### Compensation

11. Subject to Bankruptcy Court approval, the Trustee desires to compensate MRW on an hourly fee basis in accordance with its customary billing practices. MRW's billing rates are set forth below:

Name	Rate
Timothy M. McCloskey	\$600.00
Thomas A. Woolley, III	\$550.00
Gail M. Brownfeld	\$500.00
Carissa N. Brewster	\$400.00
Shari Hall (Legal Assistant)	\$200.00

- 12. Under the circumstances, the Trustee believes that the terms of the proposed agreement are reasonable, prudent and in the best interest of the estate.
- 13. MRW has not received any funds from the debtor, the Trustee or any other party in this case.
- 14. In the attached affidavit, MRW has identified the amount and source of compensation to be paid to MRW for services rendered in connection with its representation of the Trustee in this case. MRW will submit fee applications in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the rules of this Court.

15. Accordingly, the Trustee requests that the Court approve the retention of MRW as special litigation counsel under 11 U.S.C. § 327(a) as set forth above and for such other relief as is just.

DATED: May 5, 2023.

Respectfully submitted,

By: \_\_\_\_\_\_Eva S. Engelhart

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**CHAPTER 7 TRUSTEE** 

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PROPOSED SPECIAL LITIGATION COUNSEL

## **CERTIFICATE OF SERVICE**

I hereby certify that this instrument was served by United States first class mail, with proper postage affixed, addressed to the parties set forth on the attached Service List on this 8th day of May 2023 and all parties received notification through the Court's CM/ECF system.

/s/ Thomas A. Woolley, III
Thomas A. Woolley, III

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Case 23-30560

Southern District of Texas

Houston

Fri May 5 11:04:48 CDT 2023

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Dallas, TX 75254-8067

PRA Receivables Management, LLC

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c/o Becket and Lee LLP

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The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

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12

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14 Total